

Status of PAC Recommendations of 12/16/09
Department of Planning and Zoning
3/26/12

(*) PAC Recommendation numbers per the 12/18/09 letter to the Board of Supervisors are shown in parentheses. Recommendations are grouped by topic area below. To view the PAC recommendations, presentations and correspondence to the Board of Supervisors, please visit: <http://www.fairfaxcounty.gov/dpz/laurelhill/pacrecs.htm>

PAC RECOMMENDATION	STATUS
Financial Considerations	
1. (4) Adopt and implement all recommendations in the Alvarez and Marsal Financial Assessment: Update Market and Construction Data, Conduct Sensitivity Analyses, Discounted Cash Flow Analysis, Discounted Cash Flow Analysis from an Investor/Joint-Venture Perspective, Investigate Fee Simple Transfer of Town Homes to Buyers.	The Board of Supervisors adopted the A&M recommendations. It is the intention of staff to utilize the recommendations in the report as appropriate per the guidance of the County Debt Manager.
2. (3) The Alexander Company estimates the project's financial gap will be \$9 million to \$13 million. The County should establish a reasonable limit within that range to manage project costs and stakeholder expectations.	The development team is reviewing and refining the project cost as part of the continued development agreement negotiations. The Interim Agreement indicates that the project costs, and gap, will be part of the final Master Development Agreement.
3. (5) Give serious consideration to the use of tax-exempt bond financing to fund the estimated \$20.2 million for new infrastructure.	Opportunities for County-developer partnerships such as bond financing may arise from the negotiations as coordinated by the County Debt Manager. As part of the Interim Agreement, the County will fund specific site-related studies and improvements, such as boundaries, wetlands, and entrance road improvements.
4. (2) Limit the use of low-income housing tax credits to the proposed amount of \$5 million, which will cover the cost of the 44 affordable dwelling units required by Fairfax County's Affordable Dwelling Unit (ADU) ordinance.	The final dollar amount of the tax credit is based on a number of financial factors to be determined in the development of project <i>pro formas</i> . These factors include a) the amount of credits awarded to the project, b) the actual cost of the project, and c) the tax credit rate announced by the IRS. Staff will keep the PAC apprised of this process. The intent remains to use the tax credits for the required ADUs.
5. (10) Take all prudent steps to lower project costs. (examples cited include waiving fees and reducing proffered monies)	In December 2011, the BOS waived the rezoning application fee for the project. Staff is strategizing to identify additional means for reducing project costs, including fees, proffers, and other county contributions.

PAC RECOMMENDATION	STATUS
Planning Considerations	
6. (6) While concurring with the Master Plan's "community green" concept, identify and establish a new baseball field <u>before project construction begins.</u>	Staff has identified park-owned properties for publicly available 90-foot baseball field use and continues to work towards the commitment to provide a replacement field prior to construction at the Adaptive Reuse Site. It is anticipated that the existing Adaptive Reuse Site will be available for baseball use through the summer of 2013. In addition, as part of the Scannell rezoning (Belvoir Business Center) proffer monies will be available to the Park Authority for ball field improvements at the Lorton Arts Foundation (or for another field in the Mount Vernon District).
7. (8) Proceed with an amendment to the National Register nomination as it relates to the reformatory/penitentiary ball field area. This will provide clarification to consideration of support for historic tax credits, especially with regard to the Master Plan's proposal for new construction in the ball field area.	Staff initiated the amendment process in May 2010. Proposed amendments to the National Register will not include changes to the NR boundary or period of significance. However, staff reviewed the entirety of the NR listing – not only those elements at the Adaptive Reuse Site, based on new archival information that was not available at the time of the National Register nomination. The proposed revisions were reviewed by the community in 2011 and are currently (March 2012) under final review by the National Park Service. The proposed revisions can be viewed here: http://www.fairfaxcounty.gov/dpz/laurelhill/natregister.htm
8. (9) Do not include the Laurel Hill House in any proffer or funding considerations for the reformatory/penitentiary adaptive reuse project.	It is the intention of staff to limit project funds (if any) allocated to the Laurel Hill House to help to minimize the financial gap for the project. Staff worked with Frazier Associates to complete a Condition Assessment in 2011, which recommends that the County demolish the house and establish an archaeological park at the site. Any disposition activity for the house must be weighed against potential implications to historic tax credits. The Historic Structures Report and Condition Assessment Report can be viewed here: http://www.fairfaxcounty.gov/dpz/laurelhill/laurel_hill_house.htm
9. (11) Review further the placement of parking and retail within the adaptive reuse site, as consideration of the Master Plan moves forward.	Retail is proposed in the Penitentiary area closest to Silverbrook Road, per the Master Plan. This continues to be the most viable location for retail on site. Parking will be evaluated as part of the development review process to ensure that required parking is located appropriately to each use. The two proposed retail pad sites on the Master Plan have been removed.
10. (12) Make every effort in the final design to orient as much traffic to and from the adaptive reuse site to Lorton Road, to take advantage of planned road improvements.	Both the White Spruce Way entrance and the new proposed entrance from Silverbrook Road will serve as the primary entrances to the retail/office area and new residential, respectively. The entrance from Lorton Road is planned for improvements and will serve the southern portion of the development.

PAC RECOMMENDATION	STATUS
Housing	
11. (13) Consider the implementation of a targeted workforce housing program, consistent with the description in the current Comprehensive Plan text, as the Master Plan process moves forward.	It is the County's intent to work with the developer team to identify targeted workforces for housing at the Adaptive Reuse site.
12. (1) Limit residential development to the current level proposed in the Master Plan.	No change to the residential density is proposed. The Master Plan shows 352 residential units comprised of 171 adaptive reuse apartments and 181 new dwellings. The development plan proposes 352 residential units, comprised of 171 adaptive reuse apartments and 181 new dwellings (25 single-family detached units and 156 townhomes reflecting the community desire for a mix of housing types on site).
Board of Supervisors	
13. (15) Undertake the developer selection process in a way that is efficient, transparent and promotes competition.	The September 2011 interim development agreement between the County and The Alexander Company allows Alexander (and Elm Street Development) to begin the land use entitlement process. The Master Development Agreement will be finalized concurrently with the Rezoning for the project, and will require Board approval. As the PAC is aware, the project is in "Phase II" of the County's original RFP for a Master Developer. The RFP was competed nationally.
14. (7) The PAC encourages state elected officials as well as Fairfax County Supervisors to engage in direct dialogue with Audrey Tepper of the National Park Service and Elizabeth Tune of the Virginia Department of Historic Resources regarding project qualification for federal and state historic tax credits. Elected officials also should request regular updates from County staff regarding tax credit discussions.	The developer team is working with the staff at VDHR and NPS. The developer is expected to take the lead in applying for Historic Tax Credits, but county staff is monitoring the applications and process. County staff is prepared to provide updates to the Board and any other elected officials regarding the application, review, and decision process for the credits. Staff has kept Supervisor Hyland apprised of the status of Tax Credits.
15. (14) The PAC recommends that the County work with elected officials in the U.S. Senate and House of Representatives to pursue further legislative modifications that would allow Fairfax County's targeted magnet/workforce housing programs to become eligible for Low Income Housing Tax Credit financing.	County staff will discuss this recommendation with counterparts from the Department of Housing and Community Development and report our findings back to the PAC.